Ministers, the Central Government had not been able to crystalise its views on the revival proposal of the Company;

(b) whether the Bench pointed out in the above hearing that despite adequate opportunity having been given to Government in two years, they have not been able to firm up their views which has prevented the Bench, from exploring the possibilities of revival of the Company and if so, the reasons for such undue delay; and

(c) whether on account of this dealy, BIFR had no other alternative but to advise the operating agency to invite offer from alternative promoters for take-over of this Company and if so, whether Government have decided not to recommend the revival package of the Company ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT KRISHNA SAHI) : (a) to (c) The final views of the Government on the revival package could not be conveyed to Board for Industrial and Financial Reconstruction (BIFR) in the hearing which was held on August 31, 1994 because of on going process of consultation with various agencies involved viz. management, banks, operating agency State Government, labour union etc. The matter was explained to BIFR who have allowed extension of time.

Revival of Tyre Corporation of India

2622. SHRI E. BALANANDAN :
SHRI DIPANKAR MUKHERJEE :
Will the PRIME MINISTER be pleased to state :

(a) whether the Board for Industrial and Financial Reconstruction in its hearing on 20th September, 1994 has decided to formulate a draft rehabilitation scheme for both Kankinara and Tangra units of Tyre Corporation of India Lmiited (TCIL) and whether there was a broad agreement by all concerned parties to the revival scheme;

(b) whether Government representatives in the above hearing had stated that the revival proposal is to be examined by Government of India before making any commitment regarding infusion of funds;

(c) whether this examination has been completed as the BIFR desired that the revival package be implemented with effect from 1st October, 1994; and if not, the reasons for the delay in taking the decision which could jeopardise the revival process; and

(d) whether the Group of Ministers have decided already only on the rehabilitation scheme of kankinara unit where more than Rs. 100 crores have already been invested by Government and if so, whether the rehabilitation scheme of Tangra unit was also discussed by the Group of Ministers before or after the above BIFR hearing; if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) to (d) The reliefs/concessions and assistance required from Government of India for Kankinara Unit of tyre Corporation of India Ltd. (TCIL) have been agreed by the Government and this has been conveyed to BIFR before the hearing of 20-9-94. The revival proposal in respect of the Tangra Unit had, however, been received by the Government only a few days before the hearing. BIFR was, therefore informed that Government would need to examine it in detail before making any commitments. BIFR, however, decided to notify the draft rehabilitation schemes for both the Kankinara and Tangra Units and directed the Operating Agency to submit modified separate schemes for the two units. The Operating Agency's modified report regarding the Tangra Unit has been received by Government in early November and is under examination.

Disinvestment of PSU Shares

2623. SHRI DIPANKAR MUKHERJEE
SHRI NILOTPAL BASU :
SHRI RAMDAS AGARWAL :
Will the PRIME MINISTER be pleased to state :

(a) whether Government have decided to disinvest the equity shares of seven public sector units in the current 7th round of disinvestment;

(b) if so, what are the names of the respective PSUs;

(c) what is the approximate sale price of the shares which are being disinvested;

(d) what is the broad assumption on the basis of which the sale price has been fixed; and

(e) whether Government propose to have another round of disinvestment, if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI) : (a) to (e) The names and sale prices of the shares of PSUs disinvested in the 7th round in October 1994 are as per statement (*See* below). The reserve prices of shares were fixed on the recommendations of two merchant bankers *i.e.,* ICICI and IDBI who would have taken into account a number of factors like market conditions the past and the future projected performance of PSU, conditions in the particular industry EPS, PE ratio etc., while recommending reserve prices. Another round of disinvestment is likely later this year.

Statement

Details of PSUs Shares Disinvested in the 7th Round in October 1994

Name of Company	Reserve Price share (Rs.)
Container Corpn. of India .	60
Indian Oil Corporation .	675
Mahanagar Telephone Nigam Ltd.	216
National Fertilizers Ltd. .	35
Oil & Natural Gas Corporation	1,200
Steel Authority of India .	58
Shipping Corpn. of India .	70

Revival of Weighbird India Ltd.

2624. SHRI DIPANKAR MUKHERJEE : SHRIMATI SARALA MAHESHWARI :

Will the PRIME MINISTER be pleased to state :

(a) the financial involvement envisaged by the operating agency for revival of Weighbird India Ltd. excluding the statutory liability which is other-wise to be paid even if the unit is closed;

(b) whether the Company had developed an electronic load cell for weighbridge of 80 tons capacity and if so, whether the market potential of the same has been studied;

(c) whether the operating agency or Government have evaluated the replacement cost and opportunity cost before taking decision on its revival scheme; and

(d) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) The Operation Agency attempted to prepare a viability report of Weighbird India Ltd. under four scenarios and the financial involvement excluding statutory liabilities are as under :—

Scenario (a)—Rs. 137 lakh.
Scenario (b)—Rs. 197.6 lakh.
Scenario (c)—Rs. 218.5 lakh.
Scenario (d)—Rs. 325.64 lakh.

(b) No, Sir.

(c) and (d) As the Company has not been considered viable in any of the aforesaid scenarios and the Company doesn't operate in any strategic area, the consideration of replacement cost etc. has not been central to OA's analysis.

Revival of Cycle Corporation of India

2625. SHRI DIPANKAR MUKHERJEE : Will the PRIME MINISTER be pleased to state :

(a) whether Chairman/Managing Director of the Cycle Corporation of India Ltd., in a letter dated 24th August, 1993 had informed all the unions/associations that Government of India would reimburse suitably the amount of Rs. 28 crores required for revival of the company on certain conditions;

(b) whether in the same letter these conditions were spelt out;

(c) whether the concurrence to the proposals made by the Chairman was conveyed to the Joint Secretary, Ministry of Industry on 17th August, 1993 by Chairman himself and the Jt. Secretary had desired the same proposal to be sent in writing by the unions and associations;

(d) the reasons for which Government have suddenly decided to close this Company without discussing the proposals spelt out by the Chairman with the Trade Unions and Associations; and